

AGENCY ESTIMATE
OF THE FISCAL IMPACT OF IMPLEMENTING
H.B. 199 2011 General Session
Advertising on School Buses

Sponsor: Rep./Sen. Jim Bird
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A. Short Form (For bills that have no impact on the state, local governments, businesses, or individuals.)

If you can check all five boxes to the right, you're almost done. If the bill obviously doesn't have an impact, you're done.

- | | |
|-------------------------------------|---|
| <input checked="" type="checkbox"/> | State agencies will not require an appropriation to implement the bill. |
| <input type="checkbox"/> | There is no fiscal impact on local governments. |
| <input checked="" type="checkbox"/> | There is no fiscal impact on businesses |
| <input checked="" type="checkbox"/> | There is no fiscal impact on individuals. |
| <input type="checkbox"/> | The bill will not affect revenues. |

If it isn't so obvious, explain what's going on. The most usual explanation is the codification of existing practices.

Attachments welcome.

If necessary, explain why this bill has no fiscal impact.

B. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

Line 30 and 31 permit local school boards and charter school governing boards to sell advertising on school buses. Studies indicate this could net LEAs \$750 to \$1,500 per bus per year after ramp-up costs are paid.

C. Which program gets the appropriation?

Enter 3 letter Appropriation Unit Code.

For multiple appropriations

This is of

D. Work Notes: Assumptions, calculations & what are we buying?

Explain the fiscal impact in plain English, detailing your assumptions, methods, & calculations.

List all direct costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what this \$50,000 will buy.

Attachments encouraged.

Advertising on school buses has been taking place in Colorado, Arizona, and Texas. Revenue potentials range from \$50,000 to \$500,000 per year for some of the school districts in these three states. Indications are that urban LEAs would be better able to benefit from revenues generated by placing advertisements on school buses. An attached chart indicates estimated revenue potential if advertising was able to be fully utilized.

E. REVENUES

Select Fund

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Current Budget Year
FY 2011

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Coming Budget Year
FY 2012

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Future Budget Year
FY 2013

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Total

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F. COSTS by FUND

Select Fund

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Current Budget Year
FY 2011

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Coming Budget Year
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Future Budget Year
FY 2013

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Total

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G. COSTS by EXPENDITURE CATEGORY.

Expenses by Category

Personal Services
Travel
Current Expense
DP Current Expense
DP Capital Outlay
Capital Outlay
Other/Pass Thru

Current Budget Year
FY 2011

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Coming Budget Year
FY 2012

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Future Budget Year
FY 2013

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Total

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H. Non-State Impacts

Your estimate of how will the bill affect:

Local Governments

Local school boards or charter school governing boards will need to adopt specific guidelines. This will not have a measurable negative fiscal impact, and has the potential of generating positive fiscal impact.

Businesses

Some businesses will be able to benefit from advertising on school buses.

Individuals

Advertising provides information for individuals.